

Office of Chief Counsel
Internal Revenue Service

memorandum

CC:LM:NR:DEN:POSTF-127364-02
PJSewell

date: May 28, 2002

to: John Pippinger, Team Manager, LMSB 1424
Attn: Ralph Lopez

from: Area Counsel
(Natural Resources:Houston)

subject: Request for LMSB Division Counsel Assistance - Consent to Extend
the Statute of Limitations

██████████ Inc.
EIN: ██████████

██████████

We have written this memorandum in response to your request for assistance dated May 15, 2002 regarding a statute extension for the ██████████ and ██████████ taxable years. Simultaneously with the issuance of this advice to you, we will be sending it to the National Office for a ten day review under the Non-Docketed Significant Advice program. Please wait until this review is completed before acting on this advice. This memorandum should not be cited as precedent.

DISCLOSURE STATEMENT

This writing may contain privileged information. Any unauthorized disclosure of this writing may have an adverse affect on privileges, such as the attorney-client privilege. If disclosure becomes necessary, please contact this office for our views.

ISSUE

Who is the proper party to execute Form 872, Consent to Extend the Time to Assess Tax, for ██████████, Inc. & Subsidiaries consolidated group for the ██████████ and ██████████ taxable years?

CONCLUSION

[REDACTED] Inc. is the proper party to execute the Form 872 as successor to the taxpayer's initial successor.

FACTS

I have relied on the facts set out in this memorandum for my opinion in this case. If you believe that I should consider additional facts, you should notify me as this could change my opinion.

[REDACTED], Inc. was the common parent of, and filed consolidated returns for the [REDACTED], Inc. & Subsidiaries ([REDACTED]) consolidated group for taxable years [REDACTED] and [REDACTED].

On [REDACTED], [REDACTED], Inc. ([REDACTED]), a shell entity, was incorporated.

On [REDACTED], the [REDACTED], Inc. & Subsidiaries consolidated group ([REDACTED]) was transferred into [REDACTED], Inc. ([REDACTED]) pursuant to I.R.C. §351. [REDACTED], Inc. became the new common parent.

On [REDACTED], [REDACTED], Inc. ([REDACTED]) changed its name to [REDACTED], Inc. & Subsidiaries ([REDACTED]).

In [REDACTED], [REDACTED], Inc. & Subsidiaries ([REDACTED]) merged into [REDACTED] ([REDACTED]). Both are wholly owned by a Canadian parent who does not file U.S. tax returns. Both have filed their U.S. tax returns individually for the years [REDACTED] through [REDACTED]. The surviving corporation was [REDACTED] which changed its name to [REDACTED] Inc. ([REDACTED]).

LEGAL DISCUSSION

For the liabilities of the taxpayer's consolidated group during the [REDACTED] and [REDACTED] tax years, [REDACTED], Inc. & Subsidiaries ([REDACTED]), formerly known as [REDACTED], Inc., is the successor corporation. [REDACTED], Inc. ([REDACTED]), formerly known as [REDACTED], is the successor corporation to the successor to the taxpayer. As such, the consent should be prepared and executed as follows:

[REDACTED] Inc. ([REDACTED]), formerly known as [REDACTED], successor in interest to [REDACTED], Inc. & Subsidiaries ([REDACTED]), formerly known

as [REDACTED], Inc., successor in interest
to [REDACTED], Inc. & Subsidiaries ([REDACTED])

At the bottom of the Form 872, you should add:

"This is with respect to the federal income tax
liabilities of [REDACTED], Inc. & Subsidiaries
([REDACTED]) for the tax years ending December 31, [REDACTED]
and December 31, [REDACTED]."

With regard to the address to be used on the Form 872, you
should use the current address of the successor [REDACTED]
Inc., not the address of the original [REDACTED], Inc. &
Subsidiaries shown on the returns for tax years [REDACTED] and [REDACTED].
See IRM 25.6.22.5.4.

If you have any questions on this matter, please call me at
(303) 844-2214 ext. 224.

DAVID J. MUNGO
Associate Area Counsel (LMSB)

By: _____
PAMELA J. SEWELL
Attorney (LMSB)